I. EXECUTIVE SUMMARY

Project Title and Applicant Name: Palm Tract Waterfowl Mitigation Area Seasonal Wetland Brood Pond and Ditch Modifications. The applicant is Resource Management International, Inc. (RMI).

Project Description and Ecological Objectives: The project will involve establishment of a new waterfowl brood pond within an existing 100-acre managed seasonal wetland and modifications to ditch banks within the agricultural zones in the 1200-acre managed mitigation area. Ditch modifications will involve installing escape ramps 8 feet in width at intervals of 250 to 300 feet on both sides of the main drain ditches. Some ditch modification will be necessary to appropriately taper the sides of the ditches and still maintain good ditch integrity that will prevent flooding. The slope of the escape ramps will be set at approximately a 45°to 50° incline. It is estimated that 12,000 feet of ditch will require modifications.

The Palm Tract has become a model of how to integrate a complex farming operation into a wildlife enhancement project while maintaining the solvency of the farming business and still realize significant benefits for wildlife. Waterfowl are not the only group that would benefit by the project. A total of 132 species of birds have been recorded on the site of which 63 are wetland adapted species which will accrue a secondary benefit by the project. This list also includes 14 special status species that occur on federal or state endangered species lists or are on lists of species of concern.

The project will enhance values and waterfowl nesting productivity on managed flooding of agricultural lands and increase habitat complexity. Post construction monitoring would be integrated with exiting waterfowl production monitoring to provide technical support for applicable management practices for managed flooding of agricultural lands in the Delta. The installation of escape ramps from the steep ditches would increase brood survival. There is widespread agreement among waterfowl biologists that agricultural ditches without modifications to foster brood movement, will lower brood survival. Similar projects monitored by the California Waterfowl Association on nearby Mandeville Island indicated that ditch tapering significantly improved brood survival. The increase in the amount of brood water by installing an brood pond in the existing seasonal wetland would also foster more breeding activity and higher brood production.

Approach, Tasks, and Schedule: RMI is requesting funding to implement additional waterfowl habitat enhancements recommended by the California Department of Fish and Game, U. S. Fish and Wildlife Service, California Waterfowl Association, and Contra Costa Fish and Wildlife Advisory Committee to enhance waterfowl production. The Transmission Agency of Northern California (TANC) is responsible for funding the mitigation requirements that established the Palm Tract as a waterfowl mitigation site. The additional enhancements are beyond the mitigation requirements to compensate for the construction and operation of the California-Oregon Transmission Project.

Construction of the additional waterfowl brood pond would be completed this fall, pending budget approval prior to September 1997. Ditch modifications along 19,700 feet of ditches

would also begin in the fall of 1997, but probably wouldn't be completed until the spring of 1999. Monitoring of the new brood pond and ditch modifications would be integrated with the ongoing monitoring conducted by RMI for TANC as part of the mitigation performance evaluation.

Project Justification: The project is consistent with CALFED Category III funding. The project will increase habitat diversity and waterfowl nesting productivity within agricultural wetlands. In its four years of operation, the Palm Tract has become a model of how to integrate a complex farming operation into a wildlife enhancement project while maintaining the solvency of the farming business and still realize significant benefits for wildlife. Waterfowl are not the only group that would benefit by the project. A total of 132 species of birds have been recorded on the site of which 63 are wetland adapted species which will accrue a secondary benefit by the project. This list also includes 14 special status species that occur on federal or state endangered species lists or are on lists of species of concern.

Budget Costs and Third Party Impacts: The total CALFED funding request is $80,607, $39,848 for construction costs and $40,758 for services related to construction management and for specific monitoring of the affects of the habitat enhancements. No third party impacts are anticipated.

Applicant Qualifications: RMI designed, overseen development, and monitored the Palm Tract mitigation project since 1992. RMI has also successfully designed and implemented wetland restoration plans encompassing over 1,412 acres of natural wetland habitats in the San Francisco Bay-Delta ecosystem. RMI has worked extensively to help promote the dual use of California agricultural lands with wildlife objectives. We have worked with the Solano County Farmlands and Open Space Foundation to develop a grazing management plan for their 2,000-acre Rush Ranch site in Suisun Marsh that maximizes waterfowl nesting potential while allowing traditional livestock grazing to continue. RMI has also worked with the California Rice Industry Association to document the beneficial affects of rice culture for waterfowl and other wetland dependent species.

Monitoring and Data Evaluation: Monitoring of the progress of the mitigation on the Palm Tract has been ongoing since the inception of the project in 1993. Good quantitative baseline data exists on waterfowl nesting density, brood production, brood success and winter waterfowl use of the site. The monitoring since 1994 is broken down into the evaluation of brood productivity in the existing ditches and the individual brood ponds. A good basis for pre-project and post-project comparison exists within the framework of the existing data. All the data collected on the project is peer reviewed by the personnel from the signatory agencies on the interagency agreement.

Local Support and Coordination/Compatibility with CALFED Objectives: The proposed habitat enhancements are supported by the California Department of Fish and Game, U. S. Fish and Wildlife Service, California Waterfowl Association, and Contra Costa Fish and Wildlife Advisory Committee. A letter of support from the California Department of Fish and Game is attached.

II. TITLE PAGE

Palm Tract Waterfowl Mitigation Area
Seasonal Wetland Brood Pond and Ditch Modifications

Prepared for

CALFED BAY-DELTA PROGRAM
1416 Ninth Street, Suite 1155
Sacramento, California 95814

Prepared by

Resource Management International, Inc.
4340 Redwood Highway, Building B
San Rafael, California 94903
Tel (415) 491-2677 - Fax (415) 491-2686
Technical Contact: Steve Foreman (email: steve_foreman@rmtinc.com)
Financial Contact: Steve Foreman

Applicant Type: Taxable Corporation
ID#94-2611224

Participants/Collaborators: California Department of Fish and Game
California Waterfowl Association

RFP Project Group Types: Construction and Services

III. PALM TRACT WATERFOWL HABITAT ENHANCEMENT PROJECT

Project Description and Approach: Resource Management International, Inc., (RMI) was retained in the early 1980's by a consortium of independent power producers called the Transmission Agency of Northern California (TANC) and the Western Area Power Administration (WAPA) to plan, design, and build a 340 mile 500-kv transmission line from southern Oregon to Tesla, (near Livermore) California. The project, called the California-Oregon Transmission Project (COTP), was completed and began delivering power in 1993.

Part of the routing of the transmission line went through the agricultural wetlands in the Sacramento/San Joaquin River Delta. Concerns over potential waterfowl collision mortality and possible avoidance of feeding areas under and adjacent to the transmission line prompted mitigation requirements to offset presumed mortality and to replace "lost" food resources. The mitigation requirements for this part of the project were appended to the Solar, Wind, and Geothermal Power Production Incentives Act, 1990 PL 101-575 §6 that passed through the Congress during the Bush Administration, therefore part of the COTP mitigation became mandated by an act of Congress. An interagency agreement with U. S. Fish and Wildlife Service, California Department of Fish and Game, TANC and WPA was completed in July 1993 that called for the mitigation for the loss of waterfowl habitat in the Delta resulting from the construction of the line. To fulfill this component of the mitigation, TANC purchased a 1200-acre farm in the Delta on the eastern half of the Palm Tract and developed a waterfowl management plan (WHMP) that provides a minimum of 200 acres of nesting habitat, 30-acres of brood water, a 100-acre managed moist soil seasonal wetland, and retention of approximately 20 percent of the residual grain crops on 570 acres to provide supplemental winter food for waterfowl. The project is now in its fourth year of development, and it is evolving into a successful mitigation project.

The interagency agreement calls for a five year review (1993-1998) of the mitigation progress in 1998 to determine if the mitigation requirements have been met. Annual mitigation monitoring reports have been filed by TANC since 1994 and, to date, the mitigation requirements are on track for meeting the requirements in year five of the project to mitigate for the loss of waterfowl habitat from the construction of COTP. The quantitative assessment of the mitigation consists of conducting brood counts and nest searches on the Palm Tract which are conducted by RMI and the California Waterfowl Association. The mitigation is now tracked annually at a meeting of the concerned agencies and recommendations entertained at these meetings for changes in the WHMP that are intended to improve and refine the mitigation effort.

Recent brood monitoring has shown increasing use of the Palm Tract ditches for brood rearing. At the 1997 annual interagency meeting, it was agreed that additional brood water and ditch modification might facilitate better breeding success, although this was not part of the direct mitigation requirements for the COTP. Many of the ditches on the Palm Tract are designed for efficient removal of water and have steep sides. These ditches allow easy access by a female duck leading her brood to water, but once in the ditch the sides are too steep to allow a female to lead a brood to the existing brood ponds. Representatives of the California

Waterfowl Association (CWA), California Department if Fish and Game (Bay-Delta Division), and the Contra Costa Fish and Wildlife Committee are in agreement that the ditch configuration may significantly influence waterfowl brood survival when the sides are too steep to allow escape. Recent studies conducted by CWA indicated that brood survival in ditches without access to brood ponds is only about 14 percent, but broods survival increased to about 60 percent in ditches that have access to brood ponds.

In addition, the interagency committee felt that increasing the size of the brood ponds would be of value. However, the existing brood ponds lie close to the main levee along Old River and further enlargement of the ponds might jeopardize the integrity of the levee. The reclamation district engineer has requested that the ponds not be further enlarged in the interests of levee safety. An alternative was to deepen a five acre area in the seasonal wetland which is flooded annually from September 1-March 1 (Figure 1) and use it as a brood pond from March 1-August 1 after the seasonal wetland is drained. This would allow part of the seasonal wetland to be used as a brood pond without additional loss of agricultural ground which is currently fixed to the existing acreage by both the farming lease and the interagency agreement.

Wetland and waterfowl interest groups across the country agree that the most promising avenue of recovering wetland acreage lost to development, filling, agriculture and similar such projects, lies in developing wetlands on private lands. Palm Tract is a good example of how wetland enhancement can be effectively integrated into private land use to the benefit of both.

TANC, as one of the co-lead agencies on the project, is responsible for funding the mitigation requirements. The budgets for meeting the specified mitigation requirements have been approved and do not include costs for habitat enhancements which exceed their mitigation commitments.

Project Location: The Palm Tract is located 6-miles east of Brentwood and 13-miles southeast of Antioch, Contra Costa County, California (Figures 1 and 2). The east side of the site borders Old River along the Contra Costa and San Jouquin County lines.

Expected Benefits: The Palm Tract has become a model of how to integrate a complex farming operation into a wildlife enhancement project while maintaining the solvency of the farming business and still realize significant benefits for wildlife. Waterfowl are not the only group that would benefit by the project. A total of 132 species of birds have been recorded on the site of which 63 are wetland adapted species which will accrue a secondary benefit by the project. This list also includes 14 special status species that occur on federal or state endangered species lists or are on lists of species of concern.

The project will enhance values and waterfowl nesting productivity through managed flooding of agricultural lands and increased habitat complexity. Post construction monitoring would be integrated with exiting waterfowl production monitoring to provide technical support for applicable management practices for managed flooding of agricultural lands in the Delta. The installation of escape ramps from the steep ditches would increase brood survival. There is widespread agreement among waterfowl biologists that agricultural ditches without

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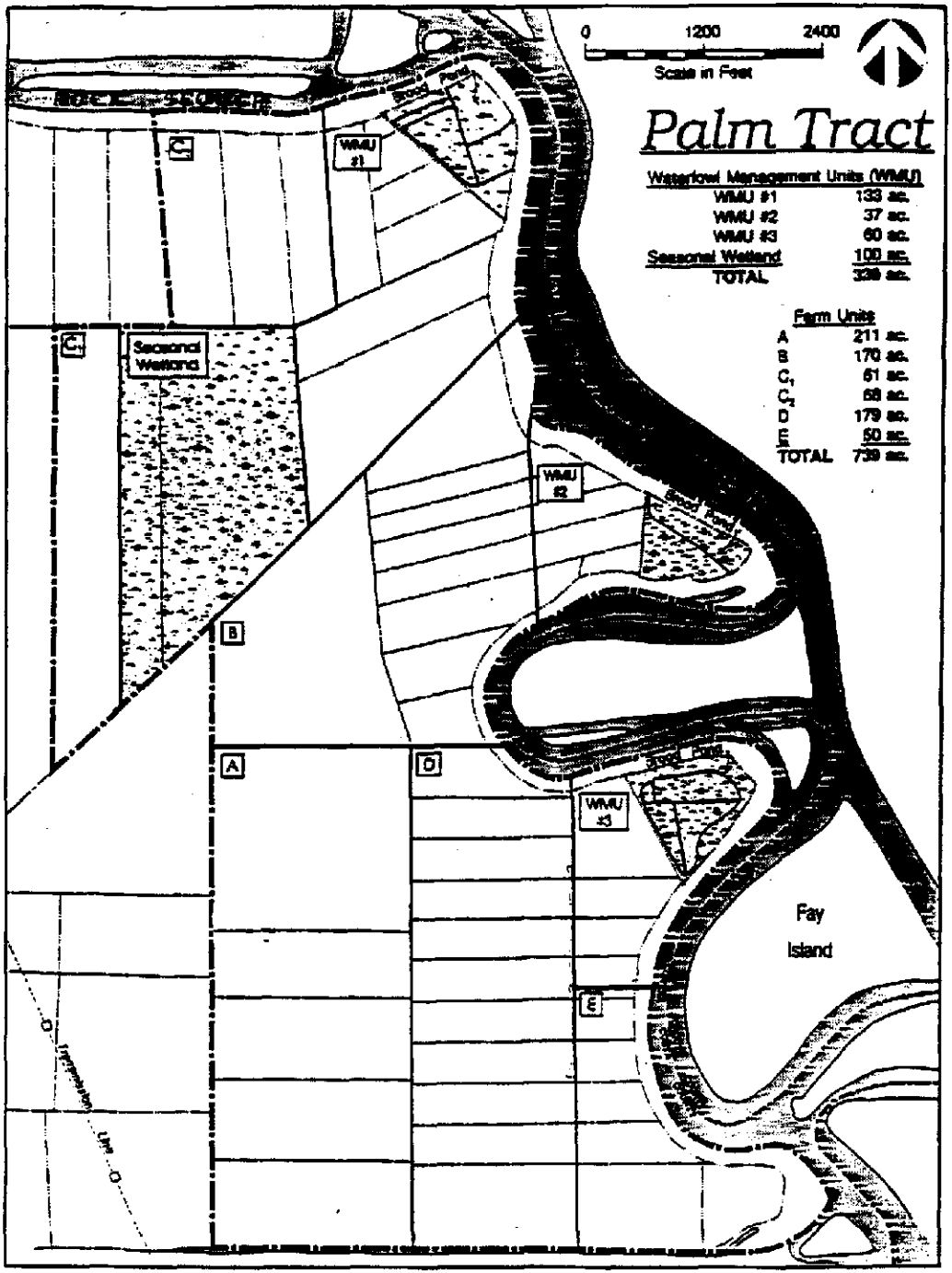

26042.07

FIGURE 1

RMI

CALFED Palm Tract Proposal

COTP WATERFOWL MITIGATION SITE,
PALM TRACT, CONTRA COSTA COUNTY, CA.

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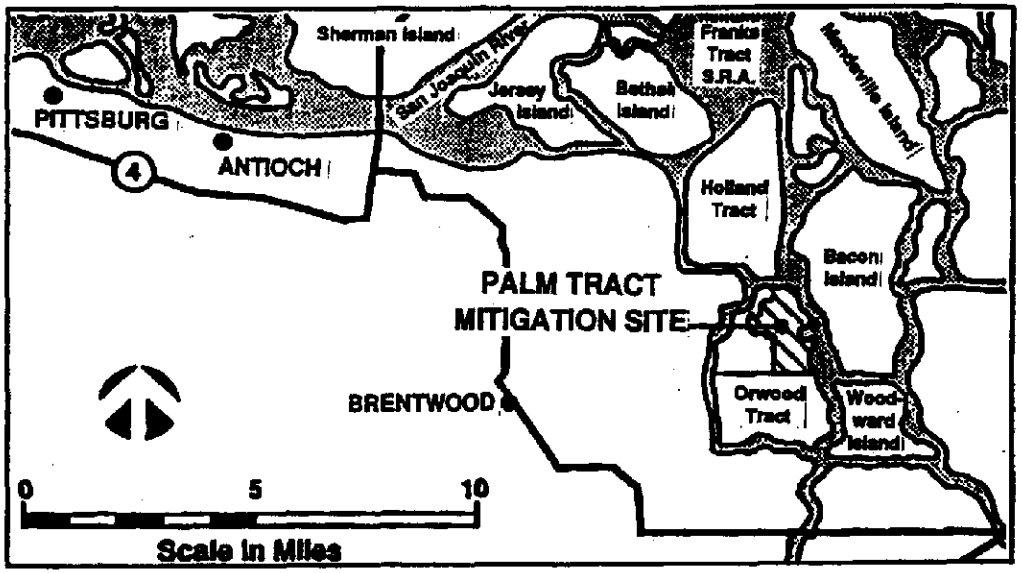

Figure 2 - Location of Palm Tract Mitigation Site

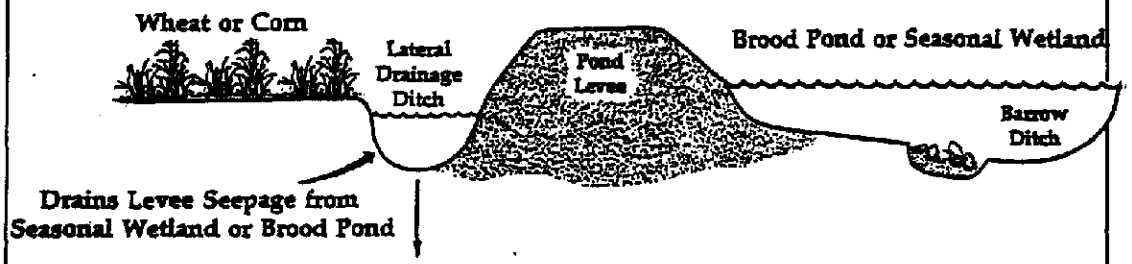

Figure 3 - COTP/Palm Tract Levee System

modifications to foster brood movement will lower brood survival. Similar projects monitored by the California Waterfowl Association on nearby Mandeville Island indicated that ditch tapering significantly improved brood survival. The increase in the amount of brood water by installing a brood pond in the existing seasonal wetland would also foster more breeding activity and higher brood production.

Background and Biological Justification: Although the mitigation on the Palm Tract appears to be following a suitable course in meeting the stated mitigation goals in the interagency agreement, the installation of escape ramps from the steep ditches would increase brood survival. Similar ditch modifications monitored by the California Waterfowl Association on nearby Mandeville Island indicated that ditch tapering significantly improved brood survival. The increase in the amount of brood water by installing an brood pond in the existing seasonal wetland would also foster more breeding activity and higher brood production.

Proposed Scope of Work: Experience to date on the Palm Tract has indicated that the most efficient and cost-effective approach to modifications related to the mitigation is to allow the current Palm Tract lessees, Douglas and Ronald Morris, to complete the work. All of the existing brood ponds, water delivery and drainage systems on the site have been installed by the Morrises. They have the best understanding of water movement dynamics on the site and as part of their lease agreement for the site, are responsible for providing the labor for all site maintenance.

The construction design for the additional brood pond requires a barrow ditch at the bottom of the pond to allow drainage for pond maintenance (Figure 3). Additional interior levees are required to prevent lateral seepage of water into the surrounding crops lands. Water delivery pipes and drain pipes will need to be installed at a lower level than the surrounding seasonal wetland and tied into existing water drainage and delivery systems.

Ditch modifications will involve installing escape ramps 8 feet in width at intervals of 250 to 300 feet on both sides of the main drain ditches. Some ditch modification will be necessary to appropriately taper the sides of the ditches and still maintain good ditch integrity that will prevent flooding. The slope of the escape ramps will be set at approximately a 45°to 50° incline. It is estimated that 12,000 feet of ditch will require modifications. Completion of the scope of work must be integrated into the ongoing farm maintenance and crop husbandry to be cost-effective. All equipment necessary to complete the work is already on the site.

Monitoring and Data Evaluation: Monitoring of the progress of the mitigation on the Palm Tract has been ongoing since the inception of the project in 1993. Good baseline data exists on waterfowl nesting density, brood production, brood success and winter waterfowl use of the site. The monitoring since 1994 is broken down into the evaluation of brood productivity in the existing ditches and the individual brood ponds. A good basis for pre-project and post-project comparison exists within the framework of the existing data. All the data collected on the project is peer reviewed by the personnel from the signatory agencies on the interagency agreement with independent assessment is available from the California Waterfowl Association.

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Implementability: The project construction work will not require any specific Corps permits or CEQA compliance. An administrative grading permit from Contra Costa County will be required for the brood pond construction. All work will conducted using onsite equipment owned and operated by ranch lessee.

Time Frames: Work will be initiated after receipt of project funding authorization. Construction work would be completed by May 1998. Monitoring will be conducted from March 1998 to July 2000.

IV. COSTS AND SCHEDULE

Budget: A detailed project budget is provided in Tables 1 and 2. The total project budget, including construction and three years of monitoring and maintenance is $80,607.

Schedule: Construction of the brood pond and ditch modifications is proposed to begin in the late summer fall of 1997 and be completed by spring 1999. Monitoring would be conducted beginning in march 1999 for three years until August 2000.

Third Party Impacts: No third party impacts are anticipated.

TANC and the other COTP cooperators have already committed substantial monetary resources to the establishment, implementation, and ongoing and operations and management of the Palm Tract with respect to their commitments to provide waterfowl mitigation for the COTP project. Annual monitoring, management, and agency coordination costs are approximately $75,000. Without outside funding, additional enhancements such as proposed in this document will not be completed. The 1993 interagency agreement for the Palm Tract mitigation, provides for other research and habitat enhancements so long as such work does not compromise compliance with the projects basic mitigation commitments. No additional funding is anticipated to be necessary to complete the additional enhancement measures.

The Palm Tract site, however, provides other opportunities for research and implementation of other ecological restoration projects and programs which meet CALFED objectives. As such, the site is available for research by third parties and future requests for CALFED funding may be submitted that involve work on the site.

Construction work will be completed by the farm lessee Ron and Douglas Morris. They have been responsible for all previous construction work necessary for implementation of the Palm Tract mitigation project. Under previous competitive bid situations, their bid for the work was by far the most advantageous to TANC in terms of cost and the Morris's knowledge of the Palm Tract drainage systems. The original construction work, including construction of the brood ponds, seasonal wetland, and additional required ditching was completed for roughly 60 percent of the original engineer's construction estimate using the Morrises. The long term lease to the Morris family also requires them to be responsible for all regular maintenance activities for the agricultural operations and waterfowl mitigation. The proposed ditch modifications will be integrated into their annual ditch maintenance activities and provides a significant cost savings to the project.

TABLE 1: PROJECT BUDGET - PALM TRACT CALFED PROJECT - LABOR

	S. Forester	Writer	Planner	J. Foreman	Clerical
Direct Salary and Benefits	$59.64	$38.64	$20.58	$63.00	$20.58
RMI Direct Labor					
Task 1: Project Design					
1A: Site Surveys		8		4	
1B: Preliminary Plans & Specs.	8	16	4	16	2
Task 2: Construction					
2A: Engineering Plans and Spec	4	8	4	12	4
2B: Contruction Contracting		4		16	
2C: Construction Oversight & Monitoring	4	24	4	16	4
Task 3: Monitoring & Maintenance (3 years)					
3A: Monitoring & Data Analysis	24	80		12	
3B: Site Maintenance		16		8	
3C: Reporting	8	24	16	12	16
Total Hours	48	180	28	96	26
Subtotal Direct Labor	$2,863	$6,955	$576	$6,048	$535
Indirect (Overhead, G&A,Fee)	$3,953	$9,605	$1,132	$8,352	$739
Subtotal Direct and Indirect Labor	$6,816	$16,560	$1,708	$14,400	$1,274
			TOTAL LABOR		**$40,758**

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TABLE 2: PROJECT BUDGET - PALM TRACT CALFED PROJECT - EXPENSES

	Construction & Maintenance		Mileage $0.30/mile	Printing Copying	Irrigation supplies	Supplies & pipe	Phone fax	Mail Index
Task 1: Project Design								
1A: Site Surveys			$36					
1B: Preliminary Site Plans				$20		$25	$20	$40
Task 2: Construction								
2A: Engineering Plans and Spec				$40				$30
2B: Contruction Contracting								
2C: Construction Oversight & Monitoring			$360					
2D: Construction:						$1,000		
Sloping & Widening 19,780' Ditch	$23,100							
2000' New Levee & Ditch	$5,000							
Build-up Existing Levee	$2,000							
210' Pipe Installation	$1,500							
Bird Resting Area	$500							
Task 3: Monitoring & Maintenance (3 years)								
3A: Monitoring & Data Analysis			$432	$10		$100	$20	
3B: Site Maintenance			$108			$100	$20	
3C: Reporting				$40	$50		$20	$80
Subtotals Expense	$32,100	$0	$936	$110	$50	$1,225	$80	$150
Administative Costs	$4,815		$140	$17	$8	$184	$12	$23
Subtotal Expenses	$36,915	$0	$1,076	$127	$58	$1,409	$92	$173

TOTAL EXPENSES	$39,849
TOTAL PROJECT BUDGET	$80,607

I-005096

V. QUALIFICATIONS

Staff Organization and Participating Parties. Steve Foreman of RMI and co-author of the existing management plan for Palm Tract will manage the overall implementation of the additional waterfowl enhancement and will oversee the activities of the biological, engineering, and planning staff. Construction management activities, however, will be directed by John Forman, RMI's registered engineer (California #E 15252) under RMI's California Class A General Engineering Contractors' License #578517. John Forman is also RMI's project manager for TANC operations. Monitoring and construction oversight will be provided by RMI wildlife biologist Jon Winter who is also the co-author of the management plan and has performed the majority of the monitoring for the project since its inception.

Key Project Team Members. The qualifications of the key management and technical personnel identified in the organization chart are as follows:

RMI's Senior Wildlife Biologist, **Steve Foreman**, has led the development of major wetland restoration and management plans in the Bay Area for projects including Baumberg Tract (850 acres), Roberts Landing (132 acres), Deep Water Slough Island/Pacific Shores Center (140 acres), Palm Tract Waterfowl Mitigation and Management Plan (1200 acres), and Potrero Hills Lane Mitigation Plan (26 acres). Mr. Foreman serves as a technical team member of the San Francisco Bay Ecosystems Goals Project Mammals, Amphibian, Reptile, and Invertebrate (MARI) group.

Jon Winter is an experienced biologist with 20 years of professional experience. This includes lengthy experience in research programs with the U.S. Forest Service, National Park Service, California Department of Fish and Game, and the Point Reyes Bird Observatory. Over the past two decades, Mr. Winter has established expertise in rare and endangered species inventories, wildlife habitat analysis, forest ecology, and avian population assessments and terrestrial and wetlands ecology on projects throughout California with particular strength in the Sierra Nevada, as well as in Nevada, Arizona, South America, and Antarctica. Although Mr. Winter has a specialist's knowledge, he is broadly experienced in avian ecology, including seabirds and waterfowl, and wetland management. An experienced field studies manager, Mr. Winter is accomplished in a wide range of survey techniques, including telemetry, small mammal trapping, bird banding, and is expert at mitigation design and evaluation.

References for Similar Projects. The following examples demonstrate our experience with wetland restoration and enhancement projects.

Baumberg Tract Restoration (Carl Wilcox, California Department of Fish and Game, 7329 Silvarado Trail, Napa, California 94558, 707/944-5500). RMI is currently preparing a plan to restore the 850-acre Baumberg Tract to salt marsh and seasonal wetlands in Hayward, California. Extensive hydrological modeling is being conducted to predict tidal regimes under various design alternatives.

Roberts Landing Wetland Mitigation and Enhancement Plan (John Hughes, Citation Homes Central, Post Office Box 58171, Santa Clara, CA 95050-8171, 408/985—6000). RMI designed and is recently implemented a wetland mitigation plan that is restoring salt marsh in 136 acres of a

I-005097

diked historic bayland in San Francisco Bay. The project involved extensive fill removal, hydrological modeling and tidal channel construction, as well as habitat enhancement for shorebirds and salt marsh harvest mouse.

Pacific Shores Center Wetland Enhancement and Mitigation Plan (Peter Brandon, Pacific Shores Center, c/o Koll Investment Management, Three Embarcadero Center, Suite 980, San Francisco, CA 94111, 415/772-5999). RMI designed a mitigation plan, currently undergoing final regulatory approval, that restores and enhances a mosaic of habitat types (salt marsh, salt pan, tidal channel and transitional uplands) on the nearby 140-acre Deepwater Slough Island adjacent to the National Wildlife Refuge.

Burdell Ranch Wetland Conservation Bank (Mount Burdell Enterprises, James McKenney, 880 Las Gallinas Avenue, San Rafael, CA 94903, 415 479-1053). RMI designed a wetland conservation bank, and associated management plan and banking agreement, on 132 acres of private land in northern Marin County that is currently under review by state and federal regulatory agencies. The conservation bank is designed to restore and enhance perennial and seasonal wetland functions and values to an area of diked historic baylands which have been used for livestock grazing and dry-land agriculture for the last 100 years. The conservation bank agreement provides the landowners an economically viable use of their lands while enhancing the diversity, extent, and quality of wildlife and wetland habitats on these lands, as well as adjacent state lands.

Sonoma County Airport Consolidated Vernal Pool Mitigation Area (Sonoma County Public Works Department and Various participating private developers. David Andrews, Aviation Department, 2200 Airport Boulevard, Santa Rosa, CA 95403, 707 527-2421). RMI is currently establishing an offsite vernal pool mitigation area on a 15-acre site at the Sonoma County Airport that will function as a modified wetland mitigation bank. Under the program, bank users who need to perform offsite Section 404 vernal pool mitigation will pay a fee to Sonoma County for the right to do mitigation on the airport site. RMI will implement a master vernal pool mitigation plan (currently undergoing regulatory approval) and each bank user will be financially responsible for a designated unit of the master plan.

Palm Tract Wetland Restoration Project (Michael McDonald, Transmission Agency of Northern California; 180 Cirby Way, Roseville, CA 95678; 916/781-4200). RMI designed and implemented an innovative mitigation plan that allows a viable agricultural operation to co-exist with restored wetlands in the Delta. Since the project was completed in 1994, it has become a wintering habitat for more than 100,000 waterfowl along the Pacific Flyway each year. The plan included the purchase of a 1,200-acre farm that had been subject to decades of intensive cultivation. The farm was converted to a agricultural/wetland landscape mosaic that provided waterfowl nesting, brood production and early fall food resources, based on a unique use of winter wheat. The project also provides recreational access to the site to take advantage of fishing, hunting and nature study opportunities. RMI also designed, and is currently implementing a nine-year multi-disciplinary biological monitoring plan for the project.

I-005098

C. Disclosure of Conflict of Interest

Bidder certifies to the State and to CalFed that pursuant to California Public Contract Code Section 10410 (1996) and California Government Code Section 1090 (1996) no officer or employee in the state civil service or other appointed state official will engage in any employment, activity, or enterprise in connection with this Contract. No such officer or employee will receive compensation or has or will have a financial interest in the Contract. Moreover, no members of the Legislature of the sate of California, nor any state, county, district, judicial district, and city officers or employees have any financial interest in any Contract.

VI. STANDARD TERMS AND CONDITIONS COMPLIANCE

RMI is in general agreement with the terms and conditions and will be able to comply with such terms with the following exceptions.

- Term of Contract: RMI reserves the right to adjust billing rates for project years exceeding one year duration.
- RMI requests a waiver of consequential damages as an additional condition.
- RMI requests that any retention be paid upon submittal of final product deliverables.
- RMI requests standard *force majeure* relief.

The following submittal requirement forms are attached to this proposal:

- Non-discrimination Compliance Statement;
- Statement of Non-Collusion; and
- Small Business Preference Statement

RMI has a California Class A General Engineering Contractor's License #578517. RMI will provide an appropriate bidders bond for wetlands construction at the time such is required to implement the construction activities.

I-005100

Item 8

NONDISCRIMINATION COMPLIANCE STATEMENT

COMPANY NAME

RESOURCE MANAGEMENT INTERNATIONAL, INC.

The company named above (hereinafter referred to as "prospective contractor") hereby certifies, unless specifically exempted, compliance with Government Code Section 12990 (a-f) and California Code of Regulations, Title 2, Division 4, Chapter 5 in matters relating to reporting requirements and the development, implementation and maintenance of a Nondiscrimination Program. Prospective contractor agrees not to unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave.

CERTIFICATION

I, the official named below, hereby swear that I am duly authorized to legally bind the prospective contractor to the above described certification. I am fully aware that this certification, executed on the date and in the county below, is made under penalty of perjury under the laws of the State of California.

OFFICIAL'S NAME

BOOKER HOLTON

DATE EXECUTED

JULY 28, 1997

EXECUTED IN THE COUNTY OF

MARIN

PROSPECTIVE CONTRACTOR'S SIGNATURE

PROSPECTIVE CONTRACTOR'S TITLE

VICE PRESIDENT

PROSPECTIVE CONTRACTOR'S LEGAL BUSINESS NAME

RESOURCE MANAGEMENT INTERNATIONAL, INC.

Item 11

Agreement No. _____

Exhibit _____

NONCOLLUSION AFFIDAVIT TO BE EXECUTED BY BIDDER AND SUBMITTED WITH BID FOR PUBLIC WORKS

STATE OF CALIFORNIA)

)ss

COUNTY OF MARIN)

BOOKER HOLTON, being first duly sworn, deposes and
(name)

says that he or she is VICE PRESIDENT of
(position title)

RESOURCE MANAGEMENT INTERNATIONAL, INC.
(the bidder)

the party making the foregoing bid that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

DATED: JULY 28, 1997 By _____
(person signing for bidder)

PWRT TRACI HANSON Comm. # 1037309 NOTARY PUBLIC - CALIFORNIA Stanislaus County My Comm. Expires Sept. 16, 1998 PWRT

(Notarial Seal)

Subscribed and sworn to before me on _____

_____
TRACI HANSON (Notary Public)

I-005102

Item 12.

Agreement No. _____

Exhibit _____

STANDARD CLAUSES –
SMALL BUSINESS PREFERENCE AND CONTRACTOR IDENTIFICATION NUMBER

NOTICE TO ALL BIDDERS:

Section 14835, et. seq. of the California Government Code requires that a five percent preference be given to bidders who qualify as a small business. The rules and regulations of this law, including the definition of a small business for the delivery of service, are contained in Title 2, California Code of Regulations, Section 1896, et. seq. A copy of the regulations is available upon request. Questions regarding the preference approval process should be directed to the Office of Small and Minority Business at (916) 322-5060. To claim the small business preference, you must submit a copy of your certification approval letter with your bid.

Are you claiming preference as a small business?

_____ Yes* XXX No

*Attach a copy of your certification approval letter.